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閩 港 控 股 有 限 公 司
FUJIAN HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 00181)

ANNOUNCEMENT
INTERIM RESULTS FOR THE PERIOD ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHT

	Six months ended 30 June 2025 HK\$	Six months ended 30 June 2024 HK\$
• Revenue	<u>9,965,780</u>	<u>12,837,676</u>
• Profit/(loss) attributable to owners of the Company	<u>18,665,567</u>	<u>(21,252,620)</u>
• Earnings/(loss) per share – Basic and diluted (<i>HK cents per Share</i>)	<u>1.63</u>	<u>(1.86)</u>

RESULTS

The Board of Directors (the “**Board**”) of Fujian Holdings Limited (the “**Company**”) hereby present the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2025 (the “**Period**”) together with the unaudited comparative figures for the corresponding period in 2024 as follows:

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period from 1 January 2025 to 30 June 2025 (in HK Dollars)

		30 June 2025	30 June
	<i>Notes</i>	(Unaudited)	(Unaudited)
Revenue	4	9,965,780	12,837,676
Other income	6	156,111	426,421
Other gains and losses	7	24,125,818	(13,117,594)
Employee benefits expense		(5,155,973)	(6,277,993)
Depreciation of property, plant and equipment		(1,256,552)	(1,389,565)
Depreciation of right-of-use assets		(1,346,423)	(1,558,478)
Finance costs		(33,895)	(28,915)
Share of results of associates		(1,509,125)	(1,097,292)
Other operating expenses		(6,280,174)	(11,046,880)
Profit/(loss) before tax		18,665,567	(21,252,620)
Income tax credit	8	—	—
Profit/(loss) for the period	9	18,665,567	(21,252,620)
Other comprehensive income/(expense):			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translating foreign operations		314,293	(161,006)
Other comprehensive income/(expense) for the period, net of income tax		314,293	(161,006)
Total comprehensive income/(expense) for the period		18,979,860	(21,413,626)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the period from 1 January 2025 to 30 June 2025 (in HK Dollars)

		30 June 2025	30 June 2024
	<i>Notes</i>	(Unaudited)	(Unaudited)
Profit/(loss) for the period attributable to:			
Owners of the Company		<u>18,665,567</u>	<u>(21,252,620)</u>
Total comprehensive income/(expense) attributable to:			
Owners of the Company		<u>18,979,860</u>	<u>(21,413,626)</u>
Earnings/(loss) per share			
Basic (<i>HK cents per share</i>)	<i>10</i>	<u>1.63</u>	<u>(1.86)</u>
Diluted (<i>HK cents per share</i>)	<i>10</i>	<u>1.63</u>	<u>(1.86)</u>

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

At 30 June 2025 (in HK Dollars)

		30 June 2025 (Unaudited)	31 December 2024 (Audited)
	Notes		
Non-current assets			
Property, plant and equipment	12	1,727,574	3,517,094
Right-of-use assets	13	1,590,175	2,936,598
Investment properties	14	207,900,000	207,900,000
Interest in associates		755,044	2,264,169
Financial assets at fair value through profit or loss	15	128,728,549	104,572,157
		<u>340,701,342</u>	<u>321,190,018</u>
Current assets			
Inventories	16	107,991	147,033
Trade and other receivables	17	1,140,945	1,323,708
Cash and bank balances		<u>31,362,512</u>	<u>31,569,868</u>
		<u>32,611,448</u>	<u>33,040,609</u>
Current liabilities			
Trade and other payables	18	8,386,490	7,776,732
Lease liabilities	19	<u>703,813</u>	<u>1,032,334</u>
		<u>9,090,303</u>	<u>8,809,066</u>
Net current assets		<u>23,521,145</u>	<u>24,231,543</u>
Total assets less current liabilities		<u><u>364,222,487</u></u>	<u><u>345,421,561</u></u>

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
(CONTINUED)**

At 30 June 2025 (in HK Dollars)

		30 June 2025	31 December 2024
	<i>Notes</i>	(Unaudited)	(Audited)
Capital and reserves			
Equity attributable to owners of the Company			
Share capital	20	898,839,029	898,839,029
Reserves		(534,616,542)	(553,596,402)
Total equity		364,222,487	345,242,627
Non-current liability			
Lease liabilities	19	–	178,934
		364,222,487	345,421,561

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY*For the period from 1 January 2025 to 30 June 2025 (in HK Dollars)*

	Attributable to owners of the Company			
	Share capital	Translation reserve	Accumulated losses	Total
At 1 January 2025 (audited)	<u>898,839,029</u>	<u>(12,995,258)</u>	<u>(540,601,144)</u>	<u>345,242,627</u>
Profit for the period	–	–	18,665,567	18,665,567
Other comprehensive income for the period	<u>–</u>	<u>314,293</u>	<u>–</u>	<u>314,293</u>
Total comprehensive income for the period	<u>–</u>	<u>314,293</u>	<u>18,665,567</u>	<u>18,979,860</u>
At 30 June 2025 (unaudited)	<u>898,839,029</u>	<u>(12,680,965)</u>	<u>(521,935,577)</u>	<u>364,222,487</u>

	Attributable to owners of the Company			
	Share capital	Translation reserve	Accumulated losses	Total
At 1 January 2024 (audited)	<u>898,839,029</u>	<u>(12,426,542)</u>	<u>(507,493,001)</u>	<u>378,919,486</u>
Loss for the period	–	–	(21,252,620)	(21,252,620)
Other comprehensive expense for the period	<u>–</u>	<u>(161,006)</u>	<u>–</u>	<u>(161,006)</u>
Total comprehensive expense for the period	<u>–</u>	<u>(161,006)</u>	<u>(21,252,620)</u>	<u>(21,413,626)</u>
At 30 June 2024 (unaudited)	<u>898,839,029</u>	<u>(12,587,548)</u>	<u>(528,745,621)</u>	<u>357,505,860</u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the period from 1 January 2025 to 30 June 2025 (in HK Dollars)

1. GENERAL

Fujian Holdings Limited (the “**Company**”) is incorporated in Hong Kong as a public limited company and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Its immediate holding company is HC Technology Capital Company Limited, a company incorporated in the British Virgin Islands and its ultimate holding company is Fujian Tourism Development Group Company Limited (“**FTDC**”), a state-owned corporation in the People’s Republic of China (the “**PRC**”). The addresses of the registered office and principal place of business of the Company is Room 3306–08, 33/F, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong.

The principal activities of the Company and its subsidiaries (collectively referred to as the “**Group**”) are investment holding, property investment in Hong Kong and hotel operations in the PRC.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim financial information has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “*Interim Financial Reporting*”. The interim financial information should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”).

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2024, as described in those annual financial statements, except for the adoption of new and amended standards and interpretation as disclosed in note 3 below.

3. IMPACT ON NEW HKFRSs AND HKASs

The HKICPA has issued a number of new and revised HKFRSs and HKASs which are effective for accounting periods commencing on or after 1 January 2025. The Group has adopted, for the first time for the current year’s financial statements. The adoption of these new and revised standards and interpretation has had no material effect on these financial statements.

Changes in accounting policies and disclosures

The Group has adopted the following amended HKFRS Accounting Standard for the first time for the current period’s financial statements.

Amendments to HKAS 21

Lack of Exchangeability

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking.

The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

4. REVENUE

	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Gross rental income from letting of investment properties	2,121,786	1,934,668
Revenue from hotel operations	<u>7,843,994</u>	<u>10,903,008</u>
	<u><u>9,965,780</u></u>	<u><u>12,837,676</u></u>

(i) Disaggregated of revenue from contract with customers

	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Types of goods or services		
Accommodation income	3,338,180	5,847,562
Catering and other income	<u>4,505,814</u>	<u>5,055,446</u>
	<u><u>7,843,994</u></u>	<u><u>10,903,008</u></u>
Geographical markets		
Mainland China	<u>7,843,994</u>	<u>10,903,008</u>
Timing of revenue recognition		
A point in time	4,505,814	5,055,446
Over time	<u>3,338,180</u>	<u>5,847,562</u>
	<u><u>7,843,994</u></u>	<u><u>10,903,008</u></u>

(ii) Performance obligations

For hotel operations, the performance obligation is satisfied when services are rendered.

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June 2025 are all expected to be recognised within one year.

5. SEGMENT INFORMATION

Information reported to the Board of Directors of the Company, being the chief operating decision maker (“CODM”), for the purpose of resource allocation and assessment of segment performance focuses on the types of services provided.

The Group's operating and reportable segments under HKFRS 8 are as follows:

Property investment	–	the rental of investment properties
Hotel operations	–	the operation of hotel

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments and operating segments:

	Property investment		Hotel operations		Consolidated	
	30 June	30 June	30 June	30 June	30 June	30 June
	2025	2024	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
REVENUE						
Revenue from external customers	<u>2,121,786</u>	<u>1,934,668</u>	<u>7,843,994</u>	<u>10,903,008</u>	<u>9,965,780</u>	<u>12,837,676</u>
Segment profit/(loss) before depreciation and others	1,997,789	1,786,912	(813,648)	(4,546,223)	1,184,141	(2,759,311)
Depreciation	<u>–</u>	<u>–</u>	<u>(2,102,862)</u>	<u>(1,378,590)</u>	<u>(2,102,862)</u>	<u>(1,378,590)</u>
Segment results	1,997,789	1,786,912	(2,916,510)	(5,924,813)	(918,721)	(4,137,901)
Unallocated income/(expenses)					24,281,929	(12,691,173)
Central administration costs					(3,188,516)	(3,344,254)
Share of results of associates					(1,509,125)	(1,079,292)
Profit/(loss) before tax					18,665,567	(21,252,620)
Income tax credit					<u>–</u>	<u>–</u>
Profit/(loss) for the period					<u>18,665,567</u>	<u>(21,252,620)</u>

Segment revenue as reported above represents revenue generated from external customers. There were no intersegment sales in the current period (30 June 2024: nil).

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit/(loss) represents the profit/(loss) earned by each segment without allocation of bank interest income and other unallocated income/(expense), corporate administration costs including director's remuneration, share of profit/(loss) of associates and income tax credit. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

	Property investment		Hotel operations		Consolidated	
	30 June	31 December	30 June	31 December	30 June	31 December
	2025	2024	2025	2024	2025	2024
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Assets						
Segment assets	218,359,642	219,372,380	25,343,264	27,891,029	243,702,906	247,263,409
Interest in associates					755,044	2,264,169
Financial assets at fair value through profit or loss					128,728,549	104,572,157
Unallocated corporate assets					126,291	130,892
Consolidated total assets					373,312,790	354,230,627
Liabilities						
Segment liabilities	(1,230,972)	(1,348,192)	(5,609,656)	(5,503,210)	(6,840,628)	(6,851,402)
Unallocated corporate liabilities					(2,249,675)	(2,136,598)
Consolidated total liabilities					(9,090,303)	(8,988,000)

All assets are allocated to operating segments other than interest in associates, deferred tax assets, financial assets designated as at fair value through profit or loss and certain cash and bank balances.

All liabilities are allocated to operating segments other than certain balances of current liabilities and deferred tax liabilities.

Geographical information

The Group operates in two principal geographical areas – the Mainland China and Hong Kong.

Information about the Group's revenue from external customers is presented based on the location of the operations. Information about the Group's non-current assets are present based on the geographical location of asset are detailed below:

	Revenue from external customers	
	30 June	30 June
	2025	2024
	(Unaudited)	(Unaudited)
Mainland China	7,843,994	10,903,008
Hong Kong	2,121,786	1,934,668
	9,965,780	12,837,676

6. OTHER INCOME

	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Bank interest income	154,502	412,267
Others	1,609	14,154
	<u>156,111</u>	<u>426,421</u>

7. OTHER GAINS AND LOSSES

	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Gain/(loss) arising on change in fair value of financial assets at fair value through profit or loss	24,156,392	(13,099,000)
Net foreign exchange loss	(30,574)	(18,594)
	<u>24,125,818</u>	<u>(13,117,594)</u>

8. INCOME TAX EXPENSE

	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Current tax – PRC	–	–
Deferred tax		
Current period	–	–
Income tax expense	<u>–</u>	<u>–</u>

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Company and its Hong Kong subsidiaries did not have any assessable profits for the period (30 June 2024: Nil).

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both period.

9. PROFIT/(LOSS) FOR THE PERIOD

	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Profit/(loss) for the period has been arrived at after (crediting)/charging:		
Gross rental income from investment properties	(2,121,786)	(1,934,668)
Less: Direct operating expenses that generated rental income during the period	<u>123,997</u>	<u>147,756</u>
	<u>(1,997,789)</u>	<u>(1,786,912)</u>
Depreciation of hotel property	1,243,943	1,224,529
Depreciation of other property, plant and equipment	<u>12,609</u>	<u>165,036</u>
	<u>1,256,552</u>	<u>1,389,565</u>
Depreciation of right-of-use assets	<u>1,346,423</u>	<u>1,558,478</u>
Total depreciation and amortisation	<u>2,602,975</u>	<u>2,948,043</u>
Salaries and other benefits (including directors' remunerations)	4,612,497	5,621,805
Retirement benefit scheme contributions	<u>543,476</u>	<u>656,188</u>
Staff costs	<u>5,155,973</u>	<u>6,277,993</u>

10. EARNINGS/(LOSS) PER SHARE

The calculation of basic and diluted earnings (30 June 2024: loss) per share of the Company is based on the unaudited consolidated net profit attributable to the owner of the Company of HK\$18,665,567 (30 June 2024: loss of HK\$21,252,620), on 1,145,546,000 ordinary shares in issue during the period.

The diluted earnings/(loss) per share for the respective periods are the same as basic earnings/(loss) per share as there are no potential ordinary shares in issue for the respective period.

11. INTERIM DIVIDEND

The Board has resolved not to recommend the payment of an interim dividend for the period (30 June 2024: Nil).

12. PROPERTY, PLANT AND EQUIPMENT

	Hotel property (Unaudited)	Furniture and fixtures (Unaudited)	Leasehold improvements (Unaudited)	Plant, machinery and equipment (Unaudited)	Total (Unaudited)
At cost					
At 1 January 2024 (audited)	92,391,462	3,902,132	19,516,271	6,398,695	122,208,560
Additions	–	23,800	60,000	9,503	93,303
Disposals	–	(2,980,763)	(17,350,257)	(5,187,309)	(25,518,329)
Exchange adjustments	–	(82,511)	(417,706)	(133,000)	(633,217)
	<u>92,391,462</u>	<u>862,658</u>	<u>1,808,308</u>	<u>1,087,889</u>	<u>96,150,317</u>
At 31 December 2024 and 1 January 2025 (audited)	92,391,462	862,658	1,808,308	1,087,889	96,150,317
Additions	–	–	–	–	–
Written off	–	(421,833)	(887,660)	(492,901)	(1,802,394)
Exchange adjustments	–	12,836	27,012	15,147	54,995
	<u>–</u>	<u>12,836</u>	<u>27,012</u>	<u>15,147</u>	<u>54,995</u>
At 30 June 2025 (unaudited)	<u>92,391,462</u>	<u>453,661</u>	<u>947,660</u>	<u>610,135</u>	<u>94,402,918</u>
Accumulated depreciation and impairment					
At 1 January 2024 (audited)	87,697,427	3,268,815	16,732,154	5,464,882	113,163,278
Provided for the year	2,449,064	94,678	145,644	92,941	2,782,327
Eliminated on disposals	–	(2,808,846)	(15,304,073)	(4,654,482)	(22,767,401)
Exchange adjustments	–	(70,463)	(360,093)	(114,425)	(544,981)
	<u>–</u>	<u>(70,463)</u>	<u>(360,093)</u>	<u>(114,425)</u>	<u>(544,981)</u>
At 31 December 2024 and 1 January 2025 (audited)	90,146,491	484,184	1,213,632	788,916	92,633,223
Provided for the period	1,122,484	38,439	59,884	35,745	1,256,552
Eliminated on written off	–	(258,452)	(639,683)	(353,484)	(1,251,619)
Exchange adjustments	–	7,591	19,050	10,547	37,188
	<u>–</u>	<u>7,591</u>	<u>19,050</u>	<u>10,547</u>	<u>37,188</u>
At 30 June 2025 (unaudited)	<u>91,268,975</u>	<u>271,762</u>	<u>652,883</u>	<u>481,724</u>	<u>92,675,344</u>
CARRYING AMOUNTS					
At 30 June 2025	<u>1,122,487</u>	<u>181,899</u>	<u>294,777</u>	<u>128,411</u>	<u>1,727,574</u>
At 31 December 2024	<u>2,244,971</u>	<u>378,474</u>	<u>594,676</u>	<u>298,973</u>	<u>3,517,094</u>

13. RIGHT-OF-USE ASSETS

	Leasehold Land	Office premise	Total
As at 30 June 2025 (unaudited)			
Carrying amount	<u>858,920</u>	<u>731,255</u>	<u>1,590,175</u>
As at 31 December 2024 (audited)			
Carrying amount	<u>1,717,832</u>	<u>1,218,766</u>	<u>2,936,598</u>
For the period ended 30 June 2025			
Depreciation charge	<u>858,919</u>	<u>487,504</u>	<u>1,346,423</u>
For the period ended 30 June 2024			
Depreciation charge	<u>937,004</u>	<u>621,474</u>	<u>1,558,478</u>
		30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Expense relating to short-term leases		127,303	193,290
Total cash outflow for leases		541,350	576,638
Addition to right-of-use assets		<u>–</u>	<u>2,037,438</u>

14. INVESTMENT PROPERTIES

FAIR VALUE

At 31 December 2024 (audited) and at 30 June 2025 (unaudited)	<u>207,900,000</u>
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All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purpose are measured using the fair value model and are classified and accounted for as investment properties.

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets mandatorily measured at FVTPL:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Unlisted equity securities	128,728,549	104,572,157

Notes:

- (a) The Company held equity interest of 18.44% in Fujian Huamin Leasing Company Limited (福建華閩融資租賃有限公司) (“**Fujian Huamin Leasing**”) as at 30 June 2025. Fujian Huamin Leasing is a PRC incorporated company and is principally engaged in the provision of financial leasing and associated services. The investment cost of the significant investment was HK\$76,423,690. The fair value of the equity interest in Fujian Huamin Leasing was HK\$128,728,549 as at 30 June 2025, representing approximately 34.48% of the total assets of the Company as at 30 June 2025. During the period ended 30 June 2025, the significant investment in Fujian Huamin Leasing incurred a profit arising on change in fair value of financial assets at fair value through profit and loss of HK\$24,156,392 and no dividend was earned during the year. The Board considers that the significant investment in Fujian Huamin Leasing allows the Group to take advantage of the tax and financial benefits from the China (Fujian) Pilot Free Trade Zone (中國(福建)自由貿易試驗區) and diversify the business of the Group to leasing and associated services within the Fujian Province, PRC and also allow the Group to diversify its streams of income.

The following table summarizes the quantitative information about the significant unobservable inputs used in fair value measurements as at 30 June 2025:

Description	Fair value HK\$	Valuation technique	Significant unobservable input	Relationship of unobservable input(s) to fair value	Range of inputs	Sensitivity of fair value to the input
Fujian Huamin Leasing	128,728,549	Market approach	Price-to-book ratio	Higher the price-to-book ratio, higher the fair value and vice versa	1.27 to 1.40 (+/-5% relative to input adopted)	Approximately HK\$122,293,000 to approximately HK\$135,165,000
			Discount for lack of marketability	Higher the discount for lack of marketability, lower the fair value and vice versa	13.61% to 15.05% (+/-5% relative to input adopted)	Approximately HK\$129,805,000 to approximately HK\$127,653,000

16. INVENTORIES

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Consumables	107,991	147,033

17. TRADE AND OTHER RECEIVABLES

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Trade receivables	581,994	840,256
Loss allowance	(117,193)	(111,622)
	464,801	728,634
Other receivables, utility deposits and prepayments	682,462	598,863
Loss allowance	(6,318)	(3,789)
	676,144	595,074
Total trade and other receivables	1,140,945	1,323,708

The following is an aged analysis of trade receivables net of loss allowance presented based on the invoice date at the end of the reporting period.

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
0–30 days	513,147	772,456
Over 360 days	68,847	67,800
	581,994	840,256
Less: Loss allowance	(117,193)	(111,622)
	464,801	728,634

18. TRADE AND OTHER PAYABLES

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Trade payables	662,277	772,418
Other payables	6,514,241	5,794,522
Rental deposit received	1,209,972	1,209,792
	<hr/>	<hr/>
Total trade and other payables	8,386,490	7,776,732
	<hr/> <hr/>	<hr/> <hr/>

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Current to six months	446,784	569,755
Over six months and within one year	–	242
Over one year	215,493	202,421
	<hr/>	<hr/>
	662,277	772,418
	<hr/> <hr/>	<hr/> <hr/>

The average credit period is 60 days (31 December 2024: 60 days).

19. LEASE LIABILITIES

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Lease liabilities payable:		
Within one year	703,813	1,032,334
Within a period of more than one year but not more than two years	–	178,934
	<hr/>	<hr/>
	703,813	1,211,268
Less: Amount due for settlement with 12 months shown under current liabilities	(703,813)	(1,032,334)
	<hr/>	<hr/>
Amount due for settlement after 12 months shown under non-current liabilities	–	178,934
	<hr/> <hr/>	<hr/> <hr/>

20. SHARE CAPITAL

	Number of shares	HK\$
Issued and fully paid		
At 1 January 2024, 31 December 2024 and 30 June 2025	1,145,546,000	898,839,029

21. RELATED PARTY TRANSACTIONS

Extension of operating period of Xiamen Plaza

Pursuant to an agreement entered into by Yan Hei and Railway Department on 1 October 1985 for co-operation on the construction and operation of Xiamen Plaza and as supplemented and amended subsequently on 18 December 1987 and 21 January 1992 (the “**CJV Agreement**”), the operating period for Xiamen Plaza will end on 11 December 2015. On 6 June 2005 and 20 July 2005, the Company announced that, Yan Hei entered into an extension agreement with Railway Department, and Fujian Enterprises (Holdings) Company Limited (“**Fujian Enterprises**”) (as a guarantor) on 9 May 2005 (“**Extension Agreement**”), in which, amongst others, the operation period of Xiamen Plaza will be extended for an additional 10 years up to 31 December 2025 and a change in the terms of the CJV Agreement in respect of the annual amounts to be distributed by Yan Hei to Railway Department. Pursuant to the terms of the Extension Agreement, Yan Hei has agreed to pay annual distributions to Railway Department during the operating period of Xiamen Plaza up to year 2025 as set out below:

2005 to 2006: US\$70,000 per year

2007 to 2011: US\$100,000 per year

2012 to 2025: US\$200,000 per year

At the end of the reporting period, the Group had commitments for future distribution under the Extension Agreement which fall due as follows:

	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Within one year	780,000	1,560,000
In the second to fifth years inclusive	–	780,000
	780,000	2,340,000

In addition, Fujian Enterprises irrevocably undertakes to Railway Department that it will guarantee performance by Yan Hei of its obligations under the CJV Agreement (as amended and extended).

Railway Department is the joint venture partner of Xiamen Plaza and is beneficially owned by the State Railway Department. To the best knowledge, information and belief of directors of the Company, having made all reasonable enquiries, Railway Department is considered as an independent third party as despite being a joint venture partner, it has no effective interest in the operations of Xiamen Plaza.

Fujian Enterprises is a trading conglomerate incorporated in Hong Kong with limited liability, and under administration of Fujian Provincial State-owned Asset Administration Commission of the PRC. Both Fujian Enterprises and the Company are control and supervision by the state-owned Assets Supervision and Administration Commission of Fujian Province of the PRC.

Compensation of key management personnel

	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Short-term employee benefits	<u>450,000</u>	<u>450,000</u>

The remuneration of Directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

22. APPROVAL OF THE INTERIM FINANCIAL STATEMENT

These condensed interim financial statements were approved and authorised for issue by the Directors on 26 August 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

A profit attributable to owners of the Company of HK\$18.67 million was recorded by the Group for the six months ended 30 June 2025 (30 June 2024: loss of approximately HK\$21.25 million). The Group's profit was mainly attributable to one of the Company's financial assets which is subject to fair value through profit or loss from an impairment of approximately HK\$13.10 million in the corresponding period of the previous year to an appreciation of approximately HK\$24.16 million.

The turnover of the Group for the six months ended 30 June 2025 amounted to approximately HK\$9.97 million, representing a decrease of approximately 22% from approximately HK\$12.84 million in the corresponding period of previous year. The decrease is mainly due to the reduction in business volume of star-rated hotel operation during the period under review.

Given our good balance sheet status and cash generation ability, our financial position continues to be strong. As at 30 June 2025, the gearing ratio (divided current liabilities by equity multiple by 100 which results in percentage) of the Group was around 2.5% (31 December 2024: 2.6%).

Our group has consistently maintained a low debt ratio and possesses ample liquidity. By enhancing internal management, training, and improving systems, we will further focus on cost control to minimize cash outflows.

OPERATIONAL REVIEW

A. Star-rated hotel operation

Star-rated hotel operation is the main source of revenue for the Group. Based on the hotel location and its current facility structure, the hotel is positioned as a leisure and business hotel, expanding its sources of conference and training clients. It will also increase cultural cultivation such as the "Comrade's Home", "Chamber of Commerce Home", "Calligrapher's Home" and "Aid Friend's Home", and establish an "Education and Training Base".

The turnover of the hotel operation for the six months ended 30 June 2025 was approximately HK\$7.84 million (30 June 2024: HK\$10.90 million), representing a decrease of approximately 28% from the corresponding period of last year.

For the period under review, the average occupancy rate was approximately 28% (30 June 2024: 48%), representing a decrease of 42% over the corresponding period of last year. Average daily rate (ADR) was approximately RMB333 (30 June 2024: RMB342).

The following table sets out the amount and percentage of contributions from different businesses of the star-rated hotel operation for the six months ended 30 June 2025, together with comparative figures as of 30 June 2024:

	30 June 2025		30 June 2024	
	<i>HK\$ in thousand</i>	<i>% of revenue</i>	<i>HK\$ in thousand</i>	<i>% of revenue</i>
Accommodation				
revenue	3,338	43%	5,848	53%
Catering	2,423	31%	3,993	37%
Rental revenue	1,690	21%	621	6%
Others	392	5%	441	4%
	7,843	100%	10,903	100%

Accommodation revenue

The accommodation revenue was mainly determined by the number of available rooms, occupancy rate and ADR of the Group's hotel. During the period under review, the accommodation revenue of star-rated hotel was approximately HK\$3.34 million, representing a decrease of approximately 43% over the corresponding period of 2024.

Catering revenue

Since 2015, the hotel has vigorously developed its group catering business. During the review period, the group generated approximately HK\$2.42 million in revenue, representing a decrease of approximately 39% over the corresponding period of 2024.

High quality customer service, strong cultural atmosphere, good geographical location is the core competitive advantage of the hotel. Our hotel management is taking active measures to expand diversified operations including develop the wedding banquet, the moon cake banquet, year-end banquet, graduation banquet, other banquet online to offline business and Introducing the "Teacher Appreciation Banquet" WeChat official account for our hotel. We also carry out online sales cooperation with the banquet network platforms "Wedding 100" 「婚禮100」 and "Banquet Ge Ge" 「宴格格」 and we are also collaborating with third parties to launch Peking duck products, thereby diversifying our dining business model to achieve initial results in the expansion to extension of the banquet and group meals.

Looking forward, the consumer demand for leisure travel and business travel is gradually released and the confidence of the domestic hotel market is gradually recovered. The hotel business is gradually back to the right track.

Rental revenue

In order to stabilise the income of the hotel operation, the hotel leased out the shopping centre in the Group's hotel. This contributed to approximately HK\$1.69 million in rental revenue during the six months under review, representing approximately 21% of the hotel operation's turnover.

B. Hong Kong properties held by the Group

Hong Kong's economy is affected by various external factors, many enterprises in Hong Kong have decided to move out of Central due to cost savings and some office tenants have delayed or shelved office leases, so the Hong Kong Grade A office market constantly under pressure and the group's investment property project rental rate is only about 90% during the review period. As demand remains weak and expected commercial property market rents remain under pressure, the outlook for the year will remain uncertain.

During the period under review, the rental income of the properties in Hong Kong was approximately HK\$2.12 million, compared to the corresponding period of last year representing an increase of approximately 10%.

C. Piano Manufacturing

The Group diversified its business into piano manufacturing by acquiring a 25% equity interest in Fuzhou Harmony Piano Co. Ltd. ("**Harmony Piano**") in 2005. This business interest has brought a steady profit to the Group for the past few years. However, the Group recorded a share of loss from its interest in Harmony Piano approximately HK\$1.51 million for the period under review due to declining market sales and rising manufacturing materials. (2024: loss of approximately HK\$1.10 million).

D. Finance Leasing

For the six months ended 30 June 2025, profit on interest in finance leasing approximately HK\$24.16 million gain in fair value which designated at fair value through profit or loss for the period (30 June 2024: loss of approximately HK\$13.10 million).

FUTURE DEVELOPMENT

The global macroeconomic environment is at a complex and volatile critical juncture, with multiple factors such as trade policy uncertainties, geopolitical tensions, fiscal deficits, and financial vulnerabilities intertwining to shape an economic landscape full of uncertainties, continuously hindering the global economic recovery. At the same time, the Chinese government has introduced and implemented a series of targeted policies around expanding domestic demand, boosting confidence, and preventing risks, effectively addressing current economic challenges and promoting stable growth in the domestic economy. Facing the current opportunities and challenges, the Group will continue to adhere to its main business, centering on enhancing core competitiveness, while actively and prudently exploring new growth curves, strengthening the brand matrix, deepening brand connotations, and conducting precise positioning and product upgrades. We will concentrate superior resources to accelerate the injection of new projects, and expedite layout in core hubs and high-potential low-tier cities. Looking ahead, the Company will maintain strategic focus, while steadily expanding its main business, embrace technological innovation with an open and prudent attitude, regard the deep integration of technology and cultural tourism as an important strategic direction for the future, and actively seek and invest in high-quality projects in related fields, with a view to creating new growth curves. We believe that through active exploration and strategic investment in technology-empowered projects, not only can we further enhance the Group's main business's risk resistance and profitability levels, but also seize the initiative in the magnificent industry transformations, creating long-term and stable returns for shareholders.

FINANCIAL REVIEW

Capital Structure

As at 30 June 2025, the total share capital of the Company was HK\$898,839,029 divided into 1,145,546,000 ordinary shares.

Liquidity and Financial Resources

As at 30 June 2025, the Group had a net cash balance of approximately HK\$31.36 million (31 December 2024: HK\$31.57 million). The Group's net asset value (assets less liabilities) was approximately HK\$364.22 million (31 December 2024: HK\$345.24 million), with a liquidity ratio (ratio of current assets to current liabilities) of 3.59 (31 December 2024: 3.75). During the period under review, there was no material change in the Group's funding and treasury policies. The Directors do not expect the Company to experience any problem with liquidity and financial resources in the foreseeable future.

Charge on Assets

As at 30 June 2025, the Group did not charge any of its assets (31 December 2024: Nil).

Funding and Treasury Policies

The funding and treasury policies of existing subsidiaries of the Group are centrally managed and controlled by the Group's senior management in Hong Kong.

Treasury Management and Cash Funding

The Group's funding and treasury policies are designed to maintain a diversified and balanced debt profile and financing structure. The Group continues to monitor its cash flow position and debt profile, and to enhance the cost-efficiency of funding initiatives by its centralised treasury function. In order to maintain financial flexibility and adequate liquidity for the Group's operations, potential investments and growth, the Group has built a strong base of funding resources and will keep exploring cost-efficient ways of financing.

Bank Loans and Other Borrowings

There was no outstanding bank loan and other borrowing by the Company and the Group as at 30 June 2025 (31 December 2024: Nil).

Capitalised Borrowing Costs

No borrowing cost was being capitalised during the six months ended 30 June 2025 (31 December 2024: Nil).

Exposure to fluctuation in exchange rate and related hedges

There has been no significant change in the Group's policy in terms of exchange rate exposure. The Group operates mainly in Hong Kong and Mainland China. Most of the transactions and cash and cash equivalents are denominated in Hong Kong dollars ("HK\$") and in Renminbi ("RMB"). The Group is exposed to foreign currency risk due to the exchange rate fluctuation of RMB against HK\$. Moderate fluctuation of RMB against HK\$ was expected. The Group considered the foreign currency risk exposure is acceptable. However, management of the Group will monitor foreign exposure closely and consider the use of hedging instruments when necessary.

As most of the Company's business operations are located in Hong Kong and Mainland China, the Company faces foreign currency risks due to exchange gain/loss from exchange rate fluctuations as well as currency conversion risk due to converted net asset value fluctuations of investment projects in Mainland China. To effectively manage foreign currency risk, the Company closely monitors foreign exchange markets, and utilises multiple strategic approaches, such as optimising cash management strategy and project finance instruments, to manage foreign exchange risk.

The funding and treasury policies of existing subsidiaries of the Group are centrally managed and controlled by the Group's senior management in Hong Kong.

We have cash and cash equivalent balances denominated in various currencies. The following is a breakdown of our cash and cash equivalent balances by currency as at the end of each period/year:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Cash and cash equivalents denominated in RMB <i>(in thousands)</i>	9,443	9,910
Cash and cash equivalents denominated in HK\$ <i>(in thousands)</i>	21,919	21,660

CAPITAL MANAGEMENT

Our objectives when managing capital are to safeguard our ability to continue as a going concern in order to provide returns for Shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

We manage our capital structure and make adjustments to it in order to have funds available to support the business activities which the Board intends to pursue in addition to maximizing the return to Shareholders. The Board does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Group's management to sustain future development of the business.

In order to carry out current operations and pay for administrative costs, we will utilise our existing working capital and raise additional amounts as needed. Management reviews our capital management approach on an ongoing basis and believes that this approach, given the relative size of the Group, is reasonable.

Acquisition and Disposal of Subsidiaries, Associates and Joint Ventures

The Group had no material acquisition and disposal of subsidiaries, associates and affiliated companies during the period.

Major Events

Save as aforesaid, the Group had no material capital commitments and no future plans for material investments or capital assets as at 30 June 2025.

The Company had only one significant investment with a value over 5 per cent of the total assets of the Company as at 30 June 2025. The significant investment represented the direct equity interest of 18.44% held in Fujian Huamin Leasing Company Limited (福建華閩融資租賃有限公司) (“**Fujian Huamin Leasing**”) by the Company as at 30 June 2025. Fujian Huamin Leasing is a PRC incorporated company and is principally engaged in the provision of financial leasing and associated services. The investment cost of the significant investment was approximately HK\$76.42 million. The fair value of the equity interest in Fujian Huamin Leasing was approximately HK\$128.73 million, representing approximately 34.48% of the total assets of the Company as at 30 June 2025. During the period ended 30 June 2025, the significant investment in Fujian Huamin Leasing contributed a profit arising on change in fair value of financial assets at fair value through profit or loss of HK\$24.16 million and no dividend was earned during the year. The Board considers that the significant investment in Fujian Huamin Leasing allows the Group to take advantage of the tax and financial benefits from the China (Fujian) Pilot Free Trade Zone (中國(福建)自由貿易試驗區) and diversify the business of the Group to leasing and associated services within the Fujian Province, PRC and also allow the Group to diversify its streams of income.

China’s financial leasing industry is experience continued growth in 2025, with estimates indicating a business volume of approximately RMB12 trillion.

This growth is expected to be driven by several key factors:

- **Economic Recovery:** As China’s economy gradually recovers, there is an anticipated increase in demand for financial leasing services across various sectors.
- **Policy Support:** Government initiatives aimed at promoting consumption and consumer finance are expected to bolster the financial leasing market.
- **Sector-Specific Growth:** Certain segments, such as consumer loan asset-backed securities (ABS) and micro and small enterprise (MSE) loan ABS, are projected to continue driving growth in securitization issuance.

However, the industry may face challenges, including stricter financial market regulations and intensified competition. To address these issues, it is recommended that Fujian Huamin Leasing deepen the implementation of policies promoting the financial leasing business, improve financing regulations, reduce financing costs, and enhance the contribution of return variables to strengthen the momentum of sustainable development.

Overall, while the financial leasing industry in China is expected to continue its growth trajectory in 2025, it will need to navigate these challenges to maintain sustainable development.

Contingent Liability

The Group did not have any significant contingent liability during the period under review.

Human Resources

As at 30 June 2025, the Group had approximately 105 employees in Hong Kong and Xiamen. The remuneration package was determined with reference to performance and the prevailing market rate. The Group also provides employees with training, the opportunity to join its mandatory provident fund scheme and medical insurance cover.

DIVIDENDS

The Director do not recommend the payment of dividend for the six months ended 30 June 2025.

PURCHASES, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2025. During the six months ended 30 June 2025, the Company did not hold any treasury shares.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as its own code of conduct for dealings in securities of the Company by the Directors. In response to specific enquiries made, all Directors confirmed that they had complied with the required standards of dealings as set out in the Model Code during the period under review.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Adapting and adhering to recognized standards of corporate governance principles and practices has always been one of the top priorities of the Company. The Board of Directors (“**the Board**”) believes that good corporate governance is one of the areas that leads to the success of the Company and balances the interests of shareholders, customers and employees, and the Board is devoted to ongoing enhancements of the efficiency and effectiveness of such principles and practices.

The Company had fully complied throughout the six months ended 30 June 2025 with the code provisions in the Corporate Governance Code set out in Appendix C1 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

In the opinion of the Directors, the Company has met all code provisions as set out in the Code during the six months ended 30 June 2025.

AUDIT COMMITTEE

The audit committee of the Company was established in 1999. Currently, it comprises three members, all of whom are independent non-executive Directors, namely Ms. Liu Mei Ling Rhoda who possesses professional accounting qualification, Mr. Lam Kwong Siu and Mr. Ng Man Kung. Ms. Liu Mei Ling Rhoda is the Chairman of the Audit Committee. The Audit Committee adopted the terms of in accordance with the Code issued by the Stock Exchange. The principal duties of the audit committee include the review and supervision of the Group’s financial reporting process and internal controls. Two meetings have been held by the audit committee during the Period. Each Committee meeting was provided with necessary financial information of the Group for consideration, review and assessment of major issues.

REVIEW OF ACCOUNTS

The Audit Committee has reviewed the interim financial results for the period. The Audit Committee considers the financial statement to in compliance with the appropriate financial standards and regulations and sufficient disclosure has been made.

The unaudited interim financial report for the six months ended 30 June 2025 was approved by the Board for issue on 26 August 2025.

PUBLICATION OF INFORMATION ON WEBSITES

This announcement is published on the websites of the Company (www.fujianholdings.com) and the Stock Exchange (www.hkexnews.hk). The interim report of the Company for the period ended 30 June 2025 will be dispatched to shareholders of the Company and available on the above websites in due course.

ACKNOWLEDGEMENTS

I would like to take this opportunity to extend my sincere gratitude to all Shareholders, business partners and customers for their support, and to all our colleagues for their efforts, hard work and dedication.

By Order of the Board
Fujian Holdings Limited
Yang Liyu
Chairman

Hong Kong, 26 August 2025

As at the date of this announcement, the existing board of Directors comprises nine Directors, including three executive Directors, namely Mr. Yang Liyu, Mr. Su Qingpeng and Mr. Zhang Jianmin, three non-executive Directors, namely Mr. Huang Songqing, Mr. Wu Jingchao and Mr. Yu Xing and three independent non-executive Directors, namely Mr. Lam Kwong Siu, Mr. Ng Man Kung and Ms. Liu Mei Ling Rhoda.